## REMARKS

Claims 1-35 are pending. Claims 1-4, 10-11, 19-21 and 29-30 have been rejected as being anticipated under 35 U.S.C. § 102(b) by U.S. Patent No. 5,809,484 to Mottola et al. ("Mottola")

Mottola is directed to a system and method for administering a plan for funding investments in education (Abstract). The education of students is paid for by funds invested in the plan by investors (Abstract). *The students agree to **assign** a percentage of their future income for a limited time period to the plan, generating a return for the investors* (Abstract). Mottola contemplates *only* future income as a source of repayment of the education funding received by the system and method of Mottola, *which income is assignable*.

In every example of Mottola, the student merely makes payments to repay the education loans received when employed and receiving an income. This is conventional in every aspect. However, the novelty of Mottola lies in the determination of risk based on a number of factors, such as SAT scores, the educational institution attended and a projection of future income based on the student's major, among many factors. The repayment of the loan is set at a percentage of actual income.

In contrast, the claims of the instant invention are limited to the transfer of *non-assignable* benefits. The claims have been amended to reinforce the fact that the benefits element of the claims is limited to non-assignable benefits, such as Social Security, for example.

Since, for a rejection under § 102(b), each and every limitation of the claims must be shown in the prior art, and Mottola fails to show the transfer of non-assignable benefits, it cannot anticipate Claims 1-4, 10-11, 19-21 and 29-30, which all include this limitation directly or through dependency of claims.

Claims 5-9, 12-18, 22-28, and 31-35 were rejected under 35 U.S.C. § 103(a) as being obvious in view of Mottola. Because Mottola contemplates only future income as the source to repay educational loans, Mottola does not teach all of the limitations of the claims as demonstrated above. For this reason, there is no case of *prima facie* obviousness. The difference between assignable benefits, such as income taught in Mottola and non-assignable

McDONNELL BOEHNEN
HULBERT & BERGHOFF LLP
300 SOUTH WACKER DRIVE
CHICAGO, ILLINOIS 60606
TELEPHONE (312) 913-0001

benefits as claimed in the present application is not trivial. Before the invention of the present application there is no cited contemplation of providing a participant a payment or payments in exchange for non-assignable benefits. Therefore, the subject matter claimed in the present application is not only novel but involved a substantial inventive step not remotely suggested in Mottola.

Because Mottola does not teach or suggest the presently claimed invention, it does not render obvious any of the claims which all require a payment or payments in exchange for non-assignable benefits.

A Supplement to the previously submitted Declaration under 37 C.F.R § 1.131, is enclosed herewith (Exhibit C). The supplement establishes that the inventor diligently worked to perfect the invention between the time of conception established in the Declaration and the filing date of the instant application. In particular, it should be appreciated that the software development, market research and actuarial statistics and other associated tasks required to perfect this invention was time consuming and involved input from a large number of persons and companies and required substantial time and other resources.

Applicants request reconsideration and issuance of a Notice of Allowability is respectfully solicited.

Respectfully submitted,

**McDONNELL BOEHNEN HULBERT & BERGHOFF LLP**

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Michael D. Gannon / Steven B. Courtright
Registration No's. 36,807 / 40,966
Attorney / Agent for Applicants

McDONNELL BOEHNEN
HULBERT & BERGHOFF LLP
300 SOUTH WACKER DRIVE
CHICAGO, ILLINOIS 60606
TELEPHONE (312) 913-0001